

Grain Marketing Expansion Programme (GMEP) February 2011 Report

Grantee: ZAMBIA AGRICULTURAL COMMODITIES EXCHANGE LIMITED (ZAMACE)
Report for the month of: February, 2011

Report Compiled by:	Mathew Chisakuta- Operations
Activities	Activity Status
ZAMACE Regional coordinators, Agricultural official(DACO), Other stakeholder trainings	ZAMACE regional coordinator training was conducted from the 22 nd February to 25 th February, 2011. Objectives: ZAMACE goals and strategies for small holder engagement in 2011. DACO officials and other stakeholder training deferred to March 2011 due to time limitation.
ZAMACE FAQ translation into 4 local languages	Master copy being reviewed at community level - All level inclusive method adopted.
Oversight Districts and Community Visits	Routine monthly MACO, community level and District warehouses visits were undertaken by Regional coordinators and Operations office. Purpose: Community sensitization

<p>ZAMACE in collaboration with WFP's P4P conducted trainings of ZAMACE Regional coordinators on the years' strategies.</p> <p>2010/2011 Maize marketing season is again perceived difficult and It's for this reason that ZAMACE will focus on commodities with more potential output market such as soya beans, sorghum, sunflower and mixed beans as additional crops for aggregation and onward trading on the exchange.</p> <p>Firstly, ZAMACE had to train regional coordinators and come up with a communications manual for homogenous message dissemination to Regional coordinators. See snapshots/ ANNEX 1.</p> <p>Different models of smallholder engagement were highlighted to the coordinators</p> <p style="text-align: right;">See ANNEX 2.</p>

Snapshots of Coordinator Training:



Top: ZAMACE coordinators and WFP's P4P staff

Bottom: Coordinator presentation during the Training



FRA Mwembeshi Road Depot
Industrial Area, Lusaka.

22nd February 2011

Training of Trainers Session 21st to 25 February 2011

Name	Organisation	Designation	Signature
Michelle Hunsberger	WFP	Intern	
Maiko Uchada	WFP	Unit Programme Officer	
Lyness Kayumba	ZAMACE CHEMONICS	Regional Coordinator-South	
Arthur Musonda	ZAMACE CHEMONICS	Regional Coordinator-Central	
Chisanza Chisanza	CLUSA PROFIT	Consultant	
Josephat Mlewa	ZAMACE CHEMONICS	Regional Coordinator-East	
Mathew Chisakuta	ZAMACE CHEMONICS	Training Coordinator	

Checked By:

Approved By:



FRA Mwembeshi Road Depot
Industrial Area, Lusaka.

23rd February 2011

Training of Trainers Session 21st to 25 February 2011

Name	Organisation	Designation	Signature
Michelle Hunsberger	WFP	Intern	
Maiko Uchada	WFP	Unit Programme Officer	
Lyness Kayumba	ZAMACE CHEMONICS	Regional Coordinator-South	
Arthur Musonda	ZAMACE CHEMONICS	Regional Coordinator-Central	
Chisanza Chisanza	CLUSA PROFIT	Consultant	
Josephat Mlewa	ZAMACE CHEMONICS	Regional Coordinator-East	
Mathew Chisakuta	ZAMACE CHEMONICS	Training Coordinator	

Checked By:

Approved By:



FRA Mwembeshi Road Depot
Industrial Area, Lusaka.

24th February 2011

Training of Trainers Session 21st to 25 February 2011

Name	Organisation	Designation	Signature
Michelle Hunsberger	WFP	Intern	
Maiko Uchada	WFP	Unit Programme Officer	
Lyness Kayumba	ZAMACE CHEMONICS	Regional Coordinator-South	
Arthur Musonda	ZAMACE CHEMONICS	Regional Coordinator-Central	
Chisanza Chisanza	CLUSA PROFIT	Consultant	
Josephat Mlewa	ZAMACE CHEMONICS	Regional Coordinator-East	
Mathew Chisakuta	ZAMACE CHEMONICS	Training Coordinator	

Checked By:

Approved By:



FRA Mwembeshi Road Depot
Industrial Area, Lusaka.

25th February 2011

Training of Trainers Session 21st to 25th February 2011

Name	Organisation	Designation	Signature
Michelle Hunsberger	WFP	Intern	
Maiko Uchada	WFP	Unit Programme Officer	
Lyness Kayumba	ZAMACE CHEMONICS	Regional Coordinator-South	
Arthur Musonda	ZAMACE CHEMONICS	Regional Coordinator-Central	
Chisanza Chisanza	CLUSA PROFIT	Consultant	
Josephat Mlewa	ZAMACE CHEMONICS	Regional Coordinator-East	
Mathew Chisakuta	ZAMACE CHEMONICS	Training Coordinator	

Checked By:

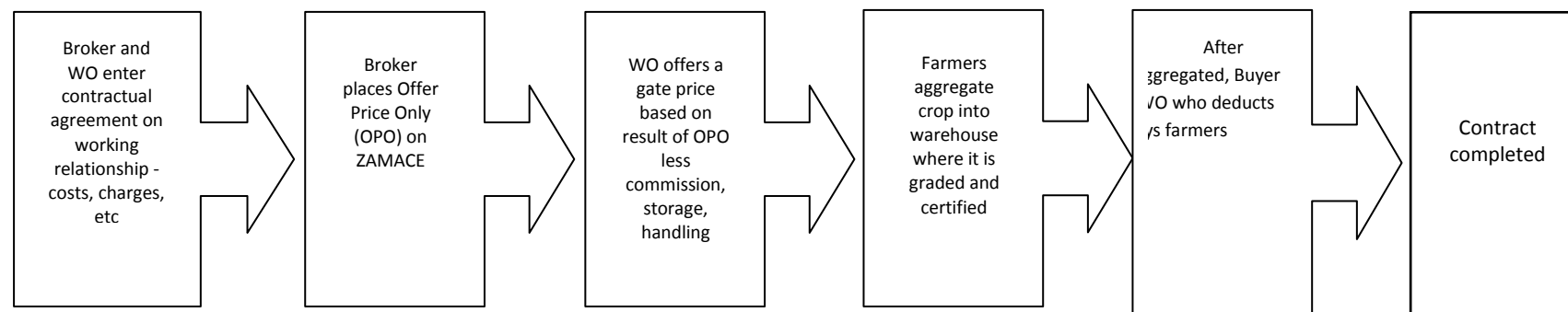
Approved By:

Various ZAMACE approaches to the marketing challenges in 2010/2011 marketing season.

1. OFFER PRICE ONLY MODEL

Assumptions:

- 1) Multiple interested buyers in the market
- 2) Good for soya
- 3) The Offer Price Only is a position on ZAMACE whereby a parcel of unknown volume is placed (min 30t, max 300t, for example), and interested buyers bid to secure whatever volume is subsequently deposited into the warehouse
- 4) Payment made on receipt of crop across weighbridge by buyer



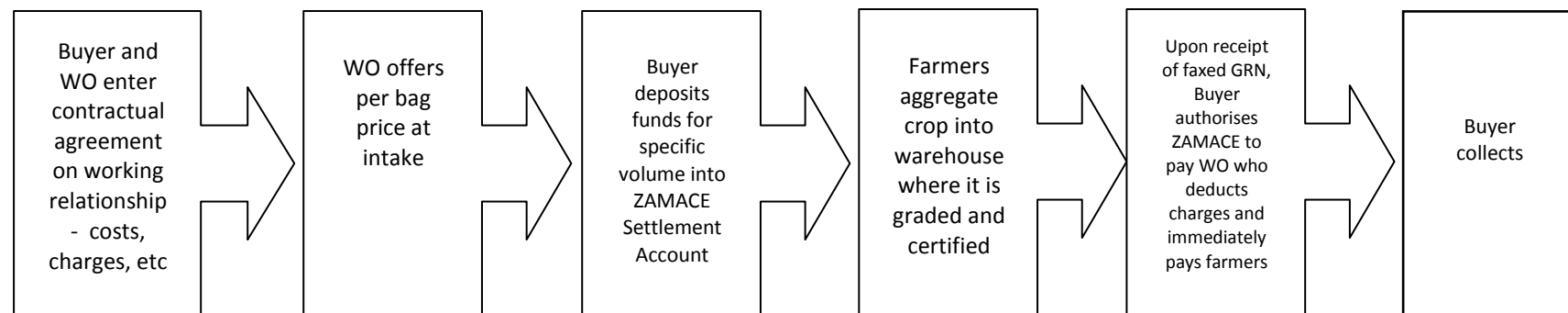
Risks:

- 1) Would need a specific time period against OPO - one week, for example, during which farmers would need to deliver to get price
- 2) The quality risk sits on the selling broker and WO
- 3) No quantity risk to buyer/buying broker as only what is delivered is paid for. Quantity risk sits on the WO

2. FORWARD PRICE MODEL

Assumptions:

- 1) Good for crops where multiple buyers are not an option (e.g. sorghum)



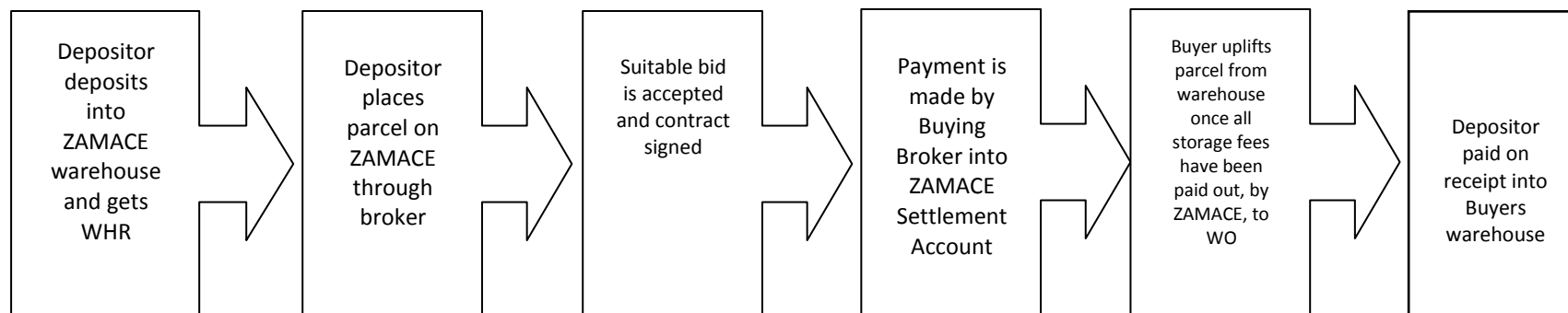
Risks:

- 1) Buyer risks paying for a specific quantity and quality in advance without physical delivery into his warehouse
- 3) No quantity risk to buyer/buying broker as only what is delivered is paid for. Quantity risk sits on the WO

3. CONVENTIONAL MODEL

Assumptions:

- 1) Larger volumes and depositors (larger farmers/small traders) conversant in the operations of ZAMACE



4. FRA MODEL

It is assumed FRA will buy in!

